UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

SECOND COMMITTEE
3rd meeting
held on
Monday, 14 October 1996
at 3 p.m.
New York

SUMMARY RECORD OF THE 3rd MEETING

Chairman: Mr. HAMBURGER (Netherlands)

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Distr. GENERAL
A/C.2/51/SR.3
9 September 1997
ENGLISH
ORIGINAL: SPANISH

96-81391 (E)

The meeting was called to order at 3.05 p.m.

ELECTION OF OFFICERS (continued)

1. The CHAIRMAN informed the Committee that the Group of African States had nominated Mr. Ramoul (Algeria) for the office of Vice-Chairman.

2. Mr. Ramoul (Algeria) was elected Vice-Chairman by acclamation.

ORGANIZATION OF WORK (continued) (A/C.2/51/1, A/C.2/51/2, A/C.2/51/3; A/C.2/51/L.1/Rev.1 and A/C.2/51/L.1/Add.1/Rev.1)

3. The CHAIRMAN drew the Committee's attention to document A/C.2/51/L.1/Add.1/Rev.1, which gave an update of the status of preparation of the Committee's documentation, and to document A/C.2/51/1, which contained a letter dated 20 September 1996 from the President of the General Assembly to the Chairman of the Second Committee concerning the allocation of items to the Second Committee. He also drew the Committee's attention to a letter dated 6 September 1996 from the Chairman of the Committee on Conferences to the Chairman of the Second Committee (A/C.2/51/2), suggesting various measures to be taken to conserve conference-servicing resources. He urged members of the Committee to take note of that document and to do everything possible to comply with the solutions set out therein.

4. Lastly, he drew attention to various proposed amendments to the Committee's organization of work. In that regard, he referred to a letter dated 27 September 1996 from the President of the General Assembly to the Chairman of the Second Committee (A/C.2/51/3) transmitting a letter from the Chairman of the Fifth Committee, regarding agenda item 114, entitled "Programme planning", which requested the views of the Committee on various programmes under the proposed medium-term plan for the period 1998-2001. If he heard no objection, he would take it that the Committee wished to approve the draft proposed programme of work contained in document A/C.2/51/L.1/Rev.1, as orally revised, on the understanding that further adjustments might be necessary.

5. It was so decided.

GENERAL DEBATE

6. Mr. DESAI (Under-Secretary-General for Policy Coordination and Sustainable Development) said that the initiative taken by the Chairman to organize informal panel discussions in order to supplement the information provided in the Secretariat's reports, and to invite speakers to make introductory remarks on different agenda items, was a laudable innovation in the Second Committee's method of work. He thanked the Government of the Netherlands and the United Nations University for their support of that initiative.

7. Over the past three years, the Second Committee's debate had focused on two major issues. The first one was a reconsideration of the concept of development, which in turn had three major themes: greater focus on integration of the economic, social and environmental aspects of development, which had

highlighted the need to endeavour to integrate the analytical, normative and operational work of the United Nations in the area of development; the belief in the need to go beyond the North/South rhetoric and to look for a basis for development cooperation in certain shared goals, values and interests to be pursued through a programme of development cooperation; and an attempt to determine the role that public policy could play in an environment characterized by an increase in the influence of market-based development policies. In that regard, the series of major United Nations conferences that had been held in recent years was very important, since such conferences had all tried to deal with issues which could not be left to the process of market-based development alone. Consequently, such conferences had somehow sought to identify a role for public policy at the national and international levels.

8. The second issue characterizing the recent period was the introduction of certain major innovations in the process of policy development in the United Nations system. First, the idea of integration had been written into all the recent conferences, which had tried to establish links between their respective specific topics and other aspects of development. Secondly, the degree of credibility of those conferences and their outcomes had been enhanced, not just in the eyes of those responsible for the adoption of international policies, but also in the eyes of those responsible for the preparation and implementation of national policy, the non-governmental community and civil society. The Second Committee could pride itself on its decisive role in all those conferences, since it had not only provided the inspiration for them and had helped to orient them, but had also contributed to the preparation of their agendas.

9. The new challenge facing the United Nations was how to ensure that the same dynamic and innovative approach was used in the following phase, the implementation of the outcomes and recommendations of those conferences. All that had been achieved over the past five or six years by way of a new dynamism in the processes of policy formulation in the United Nations system would be lost unless that process, in which so much effort and such a large volume of resources had been invested, led to results. The challenge facing the Secretariat was how to determine means for ensuring the implementation of the outcomes of all those conferences. That endeavour should constitute one of the main goals of the Second Committee and of the Economic and Social Council and its functional commissions. That did not mean that the process of policy formulation had been completed. There were still some areas which had not been covered, while there were others which required further elaboration. Nevertheless, attention must be focused on the implementation of the conclusions of that process.

10. In that regard, he wished to stress two dimensions. The first one was the role of the intergovernmental process in ensuring implementation of those conclusions. That aspect was going to figure in many different ways in the work of the Second Committee at the current session, most notably with respect to the review of the whole process inspired by the United Nations Conference on Environment and Development and with respect to efforts to ensure that such review would be as innovative as the Conference itself. The second dimension, which was even more important, involved finding a stronger link between the normative and policy-development work of the United Nations system and its operational work. To a certain extent, the operational work continued to be

guided by policy development processes which were not directly linked with the above-mentioned conferences or with the policy-setting work of the Second Committee, the Economic and Social Council, and its functional commissions. One of the big challenges now was how to give greater meaning to those policy development processes by forging a stronger link between the political processes and the guidance provided for operational activities, not just in the framework of the United Nations system but also in that of cooperation for development. While some advances had been made in that regard, there was a need to go beyond the consideration of the form of operational activities and to focus on their substance.

11. The central political processes of the United Nations had shown great vitality over the past few years. Those processes must now be linked together as part of a unified framework for development, within a system which translated those policy development processes into concrete realities in terms of the operational activities of the United Nations system. In that regard, he drew attention to the agenda for development process, which was one of the most important ongoing processes and through which many of those elements could be brought together.

12. Mr. BERROCAL SOTO (Costa Rica), speaking on behalf of the Group of 77 and China, said that, at the fiftieth session of the General Assembly, the deliberations of the Ad Hoc Open-ended Working Group of the General Assembly to elaborate further an action-oriented, comprehensive agenda for development had yielded unsatisfactory results which had cast doubts on whether or not all Member States were truly committed to giving priority to the issue of economic and social development. Those doubts had been heightened by certain views which had been expressed during the consideration and negotiation of equally crucial items such as the strengthening, reform and restructuring of the United Nations, payments arrears and other financial aspects of the Organization that were yet to be resolved. For that reason, he wished to stress that the issue of economic and social development was a vital one, and that developing countries were opposed to its being assigned a less important or lower priority on the international agenda and the agenda of the United Nations.

13. He recalled that all the heads of State and Government of the Group of 77 and China had stated, during the celebrations marking the fiftieth anniversary of the United Nations, that the issue of economic and social development was as much a part of the raison d'être of the United Nations as international peace and security. The Group of 77 and China had repeatedly reaffirmed that view as a clear-cut framework for deliberations and negotiations with representatives of developed countries. He wished to reiterate that view at the beginning of the general debate of the Second Committee, since the above-mentioned outstanding issues had to be resolved in order for the United Nations to address the new challenges facing the international community.

14. The Group of 77 and China reiterated their proposal that, when a report on a development programme was circulated, the reference document should be submitted to the regional commissions, the South Centre, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO) and to other specialized agencies with a view to securing new contributions. In that regard, there was a need for a

considerable increase in the levels and amounts of official development assistance (ODA), which had been decreasing in recent years. The developed countries were not fulfilling their commitment to set aside 0.7 per cent of their gross national product (GNP) for ODA or the commitments they had made under Agenda 21 to set aside 0.15 per cent of their GNP for ODA for the least developed countries by the year 2000. The development process would hardly be possible without international cooperation, especially for the least developed countries, which had been seriously affected by the globalization and liberalization of the world economy. The Group of 77 and China fully supported the Special Initiative on Africa, and made an urgent appeal for international solidarity in favour of that important Initiative. Without an effort of that scope and significance, and without a solution to such fundamental problems as the external debt of the African countries, the vast majority of those countries would be unable to overcome the difficulties arising from their current critical economic situation and the accumulation of serious social problems caused by marginalization.

15. Globalization and liberalization of the world economy offered some opportunities for development but also posed a tremendous challenge to developed and developing countries alike. A complex process was transforming the world economy and international relations, even though it was impossible to formulate a complete and unified theory of the process and its impact on the economic, social and even political behaviour patterns that had served as the basis of the international order in recent decades. The Group of 77 and China were determined that follow-up and implementation of the agreements and programmes of action adopted at international conferences and summits in the 1990s should be priorities of the work of the United Nations system. Those agreements symbolized the Organization's vitality and commitment and constituted a genuine and essential programme of work for the United Nations. In that regard, the speaker drew attention to Economic and Social Council resolution 1996/36, which had been adopted following the initiative of the Secretary-General and the Administrator of the United Nations Development Programme (UNDP) to establish four inter-agency task forces in order to provide effective follow-up on such matters of importance to Member States as the environment, population, the rights of women and children, human rights, social development and the future of cities and human settlements.

16. The strengthening of South-South relations and cooperation was an essential element in the new development strategy of African, Asian, Latin American and Caribbean countries, whose objective was not to replace North-South dialogue but to create a mechanism that could serve as a major impetus for development and well-being in those countries. For that reason, Costa Rica had called for the convening of a South-South conference on trade, investment and finance in January 1997 for the purpose of reformulating the Programme of Action adopted by the Group of 77 and China in Caracas in 1981. The current world economic situation and the intensity of the globalization and liberalization process necessitated such a reconsideration and the definition of new criteria for action by developing countries.

17. The Group of 77 and China were satisfied with the agreements adopted at the ninth session of UNCTAD and with the activities identified and approved by that body, whose history and goals were fundamentally linked to the struggles and

legitimate aspirations of the developing countries. He highlighted the complex process of internal adjustment and reform and programmes that had been carried out by UNIDO. The Group of 77 and China supported both organizations, which provided strong support and technical cooperation to the countries of Africa, Asia, Latin America and the Caribbean.

18. The agreements of the Uruguay Round and its Final Act must be fully implemented, and it was to be hoped that the forthcoming Ministerial Conference of the countries members of the World Trade Organization (WTO) in Singapore would be a real and transparent reflection of a new and constructive era of international trade negotiations, in which all forms of the old and corrupt practices of protectionism and neo-protectionism would give way to a new stage of growth in trade and the world economy, without distortions and without unfair advantages for some, which were to the detriment of the neediest.

19. The Group of 77 and China also fully supported the World Food Summit, at which the most serious problems were to be considered and addressed and the special session of the General Assembly to review the implementation of the commitments assumed under Agenda 21, which would provide the international community with an excellent opportunity to study the principal obstacles to the effective implementation of the Rio agreements. That would be a fitting occasion for the submission of concrete proposals for ensuring that the new models of international cooperation would be translated effectively into reality, enabling sustained economic growth and sustainable development in all countries, in particular the developing countries.

20. The Group of 77 and China had always held the view that the problems of development could not be reduced to their economic component but rather involved a set of social problems and situations and of equally essential ethical and political factors that formed part of an integral whole whose common denominator was the right of every man and woman to a life of dignity and a future of hope. That supreme aspiration of humanity was what justified and gave meaning to the work of the United Nations, the only Organization capable of undertaking major development issues in an integrated and comprehensive manner. Continuing to maintain and strengthen that fundamental obligation of the United Nations was foremost among the goals pursued by the Group of 77 and China.

21. Mr. MURPHY (Ireland), speaking on behalf of the European Union and the associate countries of Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Malta, Poland, Romania and Slovakia, and, in addition, Iceland, said that the fifty-first session of the General Assembly was taking place at a time of both hope and challenge. The previous year had seen the slow acceleration of economic growth in all regions of the world. There was real economic opportunity for more people than ever before. The European Union recognized, however, that growth in developing countries was uneven, particularly in Africa.

22. Owing to the uneven domestic distribution of the fruits of economic growth, major problems of poverty, serious social inequities, gender inequalities and unsustainable population growth still remained. Over a billion persons continued to live in abject poverty, and women carried a disproportionate share of the burden in coping with poverty.

23. Those problems posed major challenges for the United Nations. The European Union had consistently emphasized its strong conviction that the Organization was uniquely well placed to advance international cooperation in the economic and social fields and to foster further progress towards the essential objective of international sustainable development. Accordingly, the European Union was firmly committed to the multilateral approach to global problems; it renewed its commitment to the United Nations and was prepared to equip it for the tasks of a new century.

24. In the past 12 months, the United Nations had been undergoing positive changes that would enable it to address the problems arising in the economic, social and related fields as a result of the rapidly evolving world situation. In its resolution 50/227, the General Assembly had established the legislative basis for a significant restructuring and revitalization of the system in those fields. The European Union was fully committed to the implementation of all parts of that resolution, including those related to funding and institutional reform. Nevertheless, the results of efforts made to implement important parts of the resolution relating to the functional and regional commissions during the substantive session of the Economic and Social Council had been somewhat disappointing. It was to be hoped that the General Assembly would be more successful in its efforts to promote the implementation process at the current session.

25. Progress in the reform process had also been made at the ninth session of UNCTAD. At the same time, much remained to be done if the United Nations was to respond adequately to the enormous challenges facing it in advancing the goal of people-centred sustainable development, especially with regard to the least developed countries, and in effectively fulfilling its responsibilities in that area.

26. There was an urgent need to review the roles and mandates of all United Nations bodies involved in development. In addition, continuing efforts should be made to improve cooperation between United Nations agencies, the international financial institutions and WTO.

27. It was also necessary to ensure that the Organization's operational activities for development were truly effective. In that connection, he looked forward to an early conclusion of the evaluation mandated by the General Assembly in its resolution 50/120.

28. The Union had been considering ways of promoting the reform process and would share its views on that question during the current session. In its ongoing dialogue with partners from the developing countries, the Union attached particular importance to the eradication of poverty. The Economic and Social Council had addressed that issue satisfactorily during its coordination segment. He noted with satisfaction that many United Nations agencies, notably UNDP, had made a strong and renewed policy commitment to the eradication of poverty in recipient countries.

29. During its special session in 1997, the General Assembly should review the implementation of Agenda 21, provide political leadership and formulate guidelines for future action on environment and sustainable development.

30. He was also pleased to note the progress achieved in the implementation of the conventions on desertification, climate change and biological diversity.

31. On the other hand, the slow pace of progress in the negotiations concerning an agenda for development was cause for concern. The successful conclusion of those negotiations was one of the Union's priorities during the current session of the General Assembly. He noted, however, the positive outcome of the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s. He stressed the importance of the urgent implementation of the recommendations of that review, particularly those related to the Special Initiative for Africa.

32. He urged the Committee to endorse the outcome of the United Nations Conference on Human Settlements (Habitat II), including the arrangements for the follow-up to the Conference at all levels; he also looked forward to the World Food Summit, to be held in Rome in November 1996. There was also a need to reflect on the progress made in achieving the goals of the World Summit for Children in the light of the new international consensus on the achievement of sustainable human development.

33. Mr. PRONK (Netherlands) said he did not subscribe to the conventional wisdom which held that in highly unstable situations, emerging armed conflicts, protracted states of "no war, no peace" and war-torn societies, development aid was pointless and efforts should be confined to humanitarian relief. On the contrary, the international community should provide a coherent and effective response, incorporating preventive diplomacy, political mediation, humanitarian relief, social action, economic alternatives and cultural communication. Such development cooperation must be linked to political initiatives and peace-building if peace was to be sustainable.

34. The lessons learned earlier in Rwanda and Somalia, and in Afghanistan during 1996, showed that as long as political mediation, military and security operations, emergency relief and development assistance operated largely as independent policy instruments, the international response to large-scale violence would be incoherent and ineffective. Violence continued because the root causes of underlying conflicts were not addressed.

35. The international community now understood that conflict prevention required a broad approach, combining longer-term development and medium-term reconstruction and rehabilitation activities with short-term emergency relief and political and security instruments. Well-focused development programmes could lay the groundwork for prevention and help to stem escalating violence.

36. In the international forums responsible for peace and security, there was a tendency to focus on the military dimensions of conflict management to the exclusion of non-military actors and longer-term development activities which could contribute to peace-building. While military forces involved in peacekeeping operations could contain violence, they could not by themselves facilitate conflict resolution, since they isolated communities, froze the status quo and raised barriers between civil groups. The excessive focus on emergency relief in order to meet immediate needs meant that little attention

was paid to the tools of reconciliation which could heal the deep wounds and scars left by armed conflict.

37. As seen in Burundi, Liberia, Somalia, Afghanistan, the Sudan and Chad, a growing number of countries lingered in states of "no war, no peace". The nature of current intra-State conflicts made it increasingly difficult to determine when and where violence ended and peace began, and vice versa. Under those circumstances, official institutions lost their legitimacy and authority.

38. The international community should not wait for a formal peace agreement and an end to violence before starting to identify and support reconciliation programmes at the community level. Such programmes could pursue at least two objectives: resolving violent conflicts and consolidating peace, and laying the groundwork for political reconstruction and new State legitimacy. In countries where violent conflicts persisted, reconciliation programmes could encourage the creation of political, economic, and social safety zones in which indigenous populations could safely raise a voice of reason and lay new foundations for a peaceful and just society.

39. Development activities in conflict situations were a new form of development cooperation that could contribute to the maintenance and strengthening of peace and reconciliation and sustain preventive diplomacy and other measures of a political nature. In war-torn societies, development cooperation activities could be channelled through programmes that focused on reintegrating potentially destabilizing elements, such as former combatants and youth, into the broader sphere of social and economic life. That might imply providing economic alternatives to such persons, offering them employment in civil police forces or using their services in mine clearance or reconstruction, even when the war had not been declared over. That might diminish the recruitment possibilities of warlords and help to contain a conflict.

40. Aid often had a negative impact on conflicts, either because resources were misappropriated or because the wrong ethical message was sent. Aid should be given in a way that helped people to disengage themselves from their conflicts by providing a safe space for non-war action and a safe voice for non-war ideas. That approach required a willingness to take risks. Although development aid could not sustain peace efforts, without it the opportunity to establish peace could get lost, as had been the case in Liberia and Afghanistan in 1996.

41. Financing was a critical element of, and a constraint on, conflict prevention and peace-building. Donor countries must be persuaded to make contributions for non-traditional peace-building activities, such as providing civilian security by disarming military forces, ending impunity and creating effective, apolitical security forces. In some cases, there was a need to respond flexibly and rapidly to restore the basic functions and capacities of States that were recovering from armed conflicts. To improve efficiency, timeliness and the quality of their support for peace-building efforts, aid agencies should enhance the flexibility of their funding procedures. Further, consultations among donors and recipients had to be initiated to review the definition of official development assistance (ODA) and the list of recipient countries that qualified for ODA in order to reflect current needs and realities.

42. The design and implementation of coherent and integrated policies for conflict prevention and peace-building required the strengthening of the United Nations system. Strengthening should take place through a reform process that trimmed down the system and adapted its instruments in order to improve the integration of development into political action. In 1992, in "An Agenda for Peace", the Secretary-General himself had proposed an integrated approach to human security and had drawn attention to the fundamental relationship between international peace and security and development in all its dimensions. The effective use of development aid for conflict prevention and peace-building as a complement to preventive diplomacy represented a major challenge for the consultative machinery within the United Nations as well as for its operational programmes. That required an integrated approach, with consultations on social, economic and environmental issues at a high level of decision-making, in line with those on peace and security.

43. Strengthening the United Nations development system through reform should focus on five needs. First, there was a need to integrate different policy instruments - political, military, relief, rehabilitation and development - within a coherent overall framework. Secondly, there was a need to hold deliberations on social, economic and environmental issues in the United Nations at the level of policy-makers themselves, namely, ministers of social and economic affairs. Thirdly, there was a need to be efficient by holding deliberations in a workable setting, which did not always involve all Member States and which lasted no more than two or three days. Fourthly, there was a need to trim the number of meetings and, consequently, the number of organs and secretariat units. That meant that States should not criticize a Secretariat that was servicing Governments as well as it could; they should instead streamline their own consultative machinery, weeding out overlap, merging agendas and orienting their work to problem-solving rather than deliberations. The Secretariat would then follow that example. Fifthly, there was a need to decentralize by not discussing each and every development issue in New York and not handling all projects from Headquarters but by focusing on areas of conflict or potential conflict and delegating authority to specialized agencies and field offices.

44. There were too many forums and agencies involved in humanitarian assistance and development, and those bodies should coordinate their activities. However, coordination should not become an end in itself, since it could impede quick action, centralize functions that were better decentralized and lead to general blueprints rather than situation-specific approaches. It was necessary to design a more coherent and efficient international system that did not undercut the vitality of its parts or the willingness to assume risks.

45. Strengthening the United Nations not only required a willingness to pay but also to reform. However, in order to make real progress in reforming the economic and social sectors, the discussion should be brought to a higher political level. Reform of the United Nations was more than the sum total of reforms of separate units throughout the system. Proposals and initiatives should relate to the overall system and should not be considered in isolation. In general, the discussion of reform should appeal to political leaders. However, that was not the case owing to the current proliferation of intergovernmental bodies, and a reduction in the number and membership of such

bodies was needed in order to enable them to carry out efficient, effective and relevant work. Any coherent approach to development, conflicts, security, stability and growth required that the specialized agencies should be brought within the jurisdiction of the Secretary-General.

46. The timeliness and effectiveness of United Nations performance in conflict situations could be enhanced only if a limited number of forums were involved. That applied both to agencies active in the area of humanitarian assistance and to United Nations development organizations. There should be only one United Nations agency dealing with the humanitarian aspects of post-conflict assistance and a much more reduced number of agencies involved in development. Ideally, there should be only one United Nations agency active in a certain area.

47. In the years ahead, there were likely to be even more countries half in war and half in peace. While stagnation in development led to conflicts, development itself was also a source of conflict. The current process of globalization increased that trend, since it led to greater neglect, greater marginalization, increasing poverty, more conflicts, more failed States and greater competition for scarce resources. It also led to more greed and frustration, and encouraged the imposition of Western values and more resistance and violence.

48. Strengthening the Organization's capacity for coherent and integrated conflict prevention could restore the sorely needed authority and credibility of the United Nations system.

49. Mr. WANG Xuexian (China), said that despite the opportunities for economic development which had arisen through the dynamics of capital and trade, and the encouraging accelerated economic growth achieved by some developing countries through their own efforts, the following realities must be kept in mind: those countries represented only a minority and their development was uneven and unsteady; they had begun their development processes late and from weak bases; and there was a widening gap between them and the developed countries. Over 100 countries with a total population of 1.6 billion now had lower per capita incomes than 15 years earlier.

50. Furthermore, irrational phenomena still existed in the world economic system which were hampering the development efforts of developing countries, including the stagnation of international cooperation in such areas as finance, debt, trade and the transfer of technology; the protectionism still practised by some of the major developed countries in international trade and economic activities; and the emphasis placed by those countries on the role of private capital and market mechanisms, while minimizing the responsibility of their Governments to meet their commitments with regard to official development assistance. There was also a growing tendency to attach conditionalities to international cooperation and a recent tendency to exaggerate the growth attained by the developing countries in an attempt to impose on them obligations which exceeded their levels of economic development.

51. At the United Nations Conference on Environment and Development, the international community had undertaken to establish a "new and equitable global partnership", and to that end the following elements must be taken into account.

52. First, the new and equitable global partnership must be based on equality and recognize that there was no single model for development that was universally applicable; since the world was characterized by diversity, there must be respect for the economic and social development model chosen by each country and any attempt to use aid as a leverage for exerting political pressure must be abandoned.

53. Second, the new global partnership must place economic cooperation for development at the centre of its attention; although the global conferences of recent years had reached consensus about sustainable development, affirming that socio-economic development and environmental protection were complementary, it should not be forgotten that economic growth would always be the foundation and engine of sustainable development and, therefore, that efforts to help developing countries achieve sustained economic growth should be the core objective of international cooperation for development.

54. Third, the new global partnership should be based on "common but differentiated responsibilities". In that respect, the developed countries should stop seeking immediate gain and, keeping long-term interests in mind, should create a favourable international climate through fulfilment of their commitments in the area of official development assistance and the adoption of effective measures to solve the debt problem of the heavily indebted countries, lift trade restrictions and expand access to markets. At the same time, they should step up technical cooperation and promote the transfer of technology to developing countries to improve their scientific and technological capabilities. The developing countries which had made progress in development should be assisted in maintaining their momentum so that the world economy could continue to benefit from it. Special understanding should be shown of the difficulties faced by the least developed countries and the African countries.

55. Fourth, the new global partnership should find expression in the democratization of international economic decision-making. Greater participation by the developing countries in that respect would safeguard their interests in the integration process. In that context, the United Nations must play an increased role in the consideration and formulation of macroeconomic policies, and better cooperation and coordination must be established between the United Nations and international financial and trade institutions.

56. Fifth, the United Nations had an important role to play in the establishment of a new and equitable global partnership and, for that purpose, the reform of the United Nations in the economic, social and related fields should focus on raising efficiency and strengthening its functions. Funding for development should also be increased because that was the only way to ensure that the issue of development was placed at the centre of the multilateral agenda.

57. Mr. AMMARIN (Jordan) said that, on the eve of a new century and a new millennium, economic stagnation, poverty and unemployment remained chronic in many parts of the world. Throughout the current decade, in various forums, conferences and debates, diplomats, economists, leaders and policy makers had talked about free trade, privatization, the free market economy, environmental

preservation and, in particular, sustainable development, which had been the theme of the major global conferences held during that period.

58. Although estimates on the achievement of sustainable development by the year 2000 were based on a figure of about 600 billion dollars, only 200 billion dollars had been pledged by the developed world, and the rest was the responsibility of the developing countries, whose total debt far exceeded that figure, especially in Africa. At the same time, structural adjustments continued to burden the developing countries that were already heavily indebted and were concentrating their efforts on servicing various types of debt.

59. Jordan had hosted the Middle East and North Africa Economic Summit, which had had the primary objective of assessing regional structures and policies which were essential for developing the region. Although representatives of business leaders from all over the world had attended, the prospects for investment in the region remained bleak.

60. In Jordan the agenda for development launched by the Secretary-General had been applied in all its dimensions. With regard to peace, Jordan had forged a peace treaty with Israel which represented a model for regional cooperation. As to the economy as an engine for progress, Jordan had successfully introduced a free market economy and had concentrated its efforts on privatization. On the environment as the basis for sustainability, Jordan had signed and ratified the three major conventions of the United Nations Conference on Environment and Development. It had also constructed a model of democracy with full parliamentary functions.

61. Recently, Jordan had paid a heavy price because of the application of harsh measures as part of the structural adjustment programmes established by the World Bank; when the subsidies on bread and foodstuffs had been lifted, the people had rioted in the streets. Although they understood that the Government was abiding by rules set by the World Bank, they felt frustrated because the levels of unemployment were reaching alarming levels. The heavy debt burden and debt servicing had made it difficult for Jordan to cope with the rapid changes in the world with its limited resources.

62. There was a need for serious North-South cooperation to improve growth and development, eradicate poverty and preserve the environment. The time had come to move from rhetoric to action-oriented plans, from dialogue to serious work and cooperation. The issues of debt, capital flows and investment remained crucial to the success of international initiatives and cooperation for growth and development. Efforts should be made to establish a new world financial order, allowing for greater cooperation between the United Nations and the Bretton Woods institutions, in order to create new and innovative methods to deal with the debt issue. Within that context it would be advantageous and important to modify the programme of work of the Second Committee and include an agenda item entitled "Enhancing cooperation between the United Nations and the Bretton Woods institutions for the creation of a new world financial order".

63. Mr. MARRERO (United States of America) said that with the end of the cold war a new global consensus based on democracy and market economies had emerged. A common vision had developed that sound financial and economic policies,

including development of human resources and respect for human rights, good governance, individual initiative and the private sector, were critical to creating an environment conducive to economic growth, environmental sustainability and social equity. The result had been the emergence of a globalized and integrated world economy and the strengthening of economic growth in both industrialized and developing countries.

64. The challenge facing the international community today was to broaden and deepen the current economic expansion; one clear obstacle to growth had been the unsustainable levels of debt in some of the poorest countries. The Bretton Woods institutions and the Paris Club had now reached agreement on a comprehensive approach to reducing the debt of several of the poorest countries to sustainable levels. The United States strongly supported the programme of action for the heavily indebted poorest countries.

65. The Midrand Declaration (TD/377), issued by the United Nations Conference on Trade and Development (UNCTAD), noted that the globalization of production and liberalization of trade offered opportunities for all countries and enabled developing countries to play a more active role in the world economy. The rapid and full implementation of the conclusions of the ninth session of UNCTAD was crucial to ensuring that the United Nations fulfilled its obligation to developing countries in trade policy and expansion. With regard to the issue of development, it should be remembered that capital flows to developing countries were expected to reach $200 billion in 1996. Private capital flows were driving that growth, and it was clearer than ever that private investment, both domestic and foreign, was the engine of development. It was thus clear that building and maintaining appropriate conditions for investment, both at the national and international levels, was a task for all.

66. Sustainable development was defined as economic growth which was socially equitable and environmentally sound. Good governance, namely honest, open and equitable government whose end product was stable, responsive and reliable public institutions and processes, was a prerequisite. One of the priorities of the United States in 1996 was the adoption of a United Nations declaration against corruption calling on Member States to criminalize illicit practices in international business. That was a issue that affected all and was particularly suited to United Nations action.

67. At the current session of the General Assembly there would be assessment of the collective implementation of the programmes of action and international conventions on the environment and sustainable development. Although much remained to be done, there had been important achievements since the convening of the United Nations Conference on Environment and Development: major treaties had been adopted, others were closer to universal application, and regional activity, particularly on ocean matters with the attainment of consensus on ways to address the problem of the shared resources of the marine and coastal areas, had been given new impetus.

68. The United States welcomed the recent entry into force of the International Convention to Combat Desertification and Drought, particularly in Africa. His delegation looked forward to the first session of the Conference of Parties to the Convention and joined its African partners in urging that contributions

should be forthcoming to facilitate the establishment of a permanent secretariat under the Convention.

69. The 1997 special session of the General Assembly on the implementation of Agenda 21 was a key priority for the United States. The Second Committee's debate on the special session should set the tone for the technical discussions to be held in the first quarter of 1997. In the view of his delegation, the Commission on Sustainable Development should not continue to review Agenda 21 in detail in accordance with its original multi-year programme of work, but address broad aspects of sustainable development. Given its mandate for sustainable development, it could be the primary functional commission of the Economic and Social Council. It should serve as a high-level political forum to address the entire range of sustainable development policies and programmes and should play a pivotal role in reviewing the integrated implementation of recent United Nations conferences.

70. The restructuring and revitalization of the United Nations in the economic and social and related areas was an endeavour that required recognition of the common interest. An excellent basis on which to work in that regard was provided by General Assembly resolution 50/227, which aimed at a more coherent and effective discussion that would enhance the contribution of the United Nations to the ongoing policy dialogue in various international forums.

71. His delegation was very heartened by the rationalization of Second Committee procedures and the improvement in the organization of the agenda, as well as by the inclusion of panel discussions and briefings on key issues. He was hopeful about the possibilities for promoting greater coherence and complementarity between the work of the Second and Third Committees. His delegation would also support efforts to use decisions, rather than resolutions, for issues of a procedural nature, to shorten the text of resolutions, and to cluster related items into omnibus resolutions. In that regard his delegation urged its partners to consider new steps to continue the restructuring and revitalization process so as to create a United Nations better able to implement the shared vision of a global economy.

72. The United States fully supported the proposals endorsed at the Lyon economic summit to merge the three Secretariat departments responsible for development under the authority of a single Under-Secretary-General. That official could also serve as Executive Secretary of the Economic and Social Council.

73. His delegation also supported the idea of reviewing the mandates of United Nations development organs to see whether a case for rationalization could be made, and, if so, whether some activities could be merged into UNDP. While that was an initiative that was within the authority of the Secretariat, it was important for Member States to help to determine what would work best and how the various United Nations agencies could best carry out their development tasks. In addition, Member States, as consumers, had a crucial role to play in efforts to rationalize the United Nations economic analysis and reporting system.

74. Mr. BAALI (Algeria), after stating his full support for the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, expressed the hope that the measures adopted pursuant to General Assembly resolution 50/227 would enhance the efficiency and effectiveness of the work of the Second Committee, the forum in which the aspirations of the developing countries for a more just and equitable international economic order had traditionally been expressed.

75. The rapid transformation of international economic relations had led the international community to gear its thinking and activities to the goal of a world which embodied the notions of dialogue, cooperation, partnership and solidarity with a view to achieving development. In recent years, the developing countries had shown encouraging signs, and had even obtained important results, in the areas of growth, economic and financial reforms, increased integration into the world market and inflows of capital and investment. Nevertheless, such indicators were of relative significance; they did not reflect the trend in all regions of the South, where the general economic situation of most countries continued to be very troubling, as evidenced by the long list of least developed countries and countries in which poverty, hunger and disease continued to wreak havoc among broad segments of the population, particularly in Africa and small island developing States.

76. In that context, the globalization of the economy, characterized by the increasing standardization of development models owing to the widespread acceptance of market mechanisms, meant that special attention and all kinds of support must be given to the developing countries to assist them in mitigating the adverse effects of such globalization, lest the existing disequilibria between the North and the South be exacerbated and the vulnerability and dependency of many developing countries increased.

77. Many unresolved issues continued to plague the developing countries. With regard to the external debt, the initiatives taken by the Bretton Woods institutions and creditor countries to alleviate the debt burden of the poorest and most heavily indebted countries and to find solutions to multilateral debt were insufficient and of limited scope, and the situation of middle-income countries which met their obligations promptly and in full was likewise unresolved; hence a comprehensive and radical solution to the debt problem must be found.

78. He urged the international community to adopt specific measures to stabilize the international economic environment, thereby supporting the developing countries in their efforts to mitigate the political and social costs of structural adjustment policies and economic reforms, rather than simply limiting themselves to the re-establishment of their credit ratings and the liberalization of their markets at all costs. International trade, meanwhile, should be unencumbered by the disequilibria and anachronisms that had characterized it so far, and should give way to an open and well-balanced trading system which could promote sustainable growth in all countries. That would enable the countries of the South to increase their share of trade and to reduce substantially their dependence on foreign aid, while growth in those countries would provide the countries of the North with incentives and solutions to the problems plaguing their own economies, such as unemployment.

79. The next ministerial meeting of WTO, to be held in Singapore by the end of the year, should assess the implementation of the Uruguay Round agreements, focusing on the difficulties of the developing countries, especially the least developed and net food-importing countries, so as to ensure that all countries benefited from free trade and to sweep away any remaining protectionist or discriminatory notions.

80. Environmental protection was another area of concern which posed many challenges to the developing countries. During the special session which the General Assembly proposed to dedicate to the issue in 1997, the international community should make a sober appraisal of the progress achieved in the implementation of Agenda 21 and adopt specific measures reflecting the commitments entered into at the United Nations Conference on Environment and Development and other forums arising therefrom. In that connection, he urged the international community to confer on the International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, the recognition and resources which it required.

81. The eradication of hunger and malnutrition, from which 800 million people suffered worldwide, required the achievement of the necessary consensus and will at the highest political level. He expressed the hope that the World Food Summit, to be held in Rome in November 1996, would give due attention to the numerous aspects of food security for all.

82. The reform of the United Nations system should not be an end in itself, nor should it be viewed solely from the standpoint of cutbacks in programmes or the elimination of specific bodies, to the detriment of the Organization's smooth functioning and universal character. Hence, he was concerned at the trend towards resolving the financial crisis of the United Nations through facile solutions relying solely on reforms.

83. As to the efforts to formulate a development programme embodying the goals of the international community as a whole, he stressed the need to define a framework for action and determine the methods for carrying out a collective endeavour aimed at promoting, within a framework of genuine partnership, the fulfilment of the ideals of the United Nations as the instrument best suited to the promotion of international development cooperation, especially in the area of combating underdevelopment.

84. Mr. ABDELLATIF (Egypt) expressed concern at the tendency which had arisen recently to curtail the functioning of the United Nations system in the area of international development cooperation, contrary to the provisions of the Charter of the United Nations, General Assembly resolutions, the Declaration on the Occasion of the Fiftieth Anniversary of the United Nations and decisions adopted at international conferences during the 1990s.

85. The time had come to think about the threat posed by the Organization's neglect of social and economic issues, which could hamper the fulfilment of its mandates. Humanity faced the important task of fostering development, and yet, 50 years after the founding of the United Nations, and after it had superseded the confrontations of the cold war era, development appeared to play a secondary

role. Some questioned whether the United Nations should place so much emphasis on the maintenance of peace and security at the expense of development.

86. In view of the limited budgetary resources allocated to development, some sectors had shown a marked interest in broadening the purview of the financial institutions and intergovernmental organizations with respect to development issues, which would, in the long run, have the effect of reducing still further the participation of developing countries in the international decision-making process, contrary to the principles of the Charter and to the global dimension which should characterize the solution of the world's problems.

87. Some factors, however, should prompt the international community to strengthen the role of the United Nations. First, peace and security were intimately linked: development was essential to ensure peace and security, and poverty and a lack of development constituted a threat to stability. The provisions of the Charter were not confined to political issues, but rather sought the solution of all the problems affecting humanity. It was not a matter of promoting political measures only, but economic cooperation as well. Secondly, although development could be achieved only through national efforts, such efforts must be stimulated by international cooperation. In a world of increasingly integrated and interdependent economies, it was not possible to address development issues without relying on economic policy coordination in an international context. Thirdly, the end of the cold war, the commitments made at the international conferences held during the 1990s and the very nature of the international community were evidence of the consensus which existed on economic, social and environmental issues.

88. His delegation was convinced that the role of the United Nations must be strengthened and that available resources should be used to good effect, but it recognized at the same time that opinions differed as to how those issues should be addressed. In his view, the best way to strengthen the role of the United Nations in international cooperation for development was to revitalize its structures and strengthen its capacity through an increase in the financial resources allocated to it, to enable it to meet the needs of Member States appropriately. The work of the Organization should be founded on three basic principles: first, it should fulfil its commitments and should establish an appropriate relationship between programmes and the resources allocated to them; second, the restructuring of the United Nations should not be based on cost-cutting, but on achieving balance between peace-keeping activities and development; finally, the Organization should play an important role in advising Member States in areas having to do with international cooperation for development.

89. His delegation believed that the United Nations, a forum where the voice of all Member States could be heard and their points of view expressed clearly, could make a major contribution to development.

90. Mr. CAMACHO (Bolivia) said that the United Nations was the best instrument which the international community had for addressing issues relating to cooperation, solidarity and the problems facing humanity, on the basis of dialogue and coordinated effort. The Second Committee should pursue its

consideration of strategies for combating poverty, international cooperation for sustainable development, and international trade, among other agenda items.

91. On the basis of reports prepared by the World Bank and the Economic Commission for Latin America and the Caribbean, he noted that, during the 1990s, the richest 20 per cent of the world population had received 60 times more than the poorest 20 per cent, as against 30 times more during the 1960s. That dramatic contrast highlighted the need to increase productive cooperation with developing countries. Such cooperation should take the form of increased support and investment in human capital with the aim of establishing trade relations on a more equitable basis, since know-how, information and use of new technologies currently represented a country's greatest competitive advantage. Hence the concern about the negative and declining trends of some sources of financing, which did not match the efforts being made by the majority of developing countries to adapt their structures to the current requirements of a changing world.

92. The United Nations Conference on Environment and Development had been one of the most outstanding international events of recent years. Bolivia had participated actively in organizing a meeting of the Latin American countries at the level of Head of State and Government to be held in Santa Cruz de la Sierra, Bolivia, in December, at which the thrust of national and international actions for sustainable development would be defined, including economic, social and environmental goals, and the importance of obtaining new and additional resources for the financing of the plan of action to be adopted would be reaffirmed. He was confident that inter-American solidarity would lead to positive results.

93. Since 1993, his Government had been pursuing simultaneously processes aimed at transforming the State, promoting social participation, adapting the production base to the changes in contemporary international life and strengthening democratic and participatory institutions, in the belief that economic development must be compatible with concern for nature and the environment. In other words, it should take place within a framework of sustainable development and respect for ethnic and cultural diversity. His Government attached the highest priority to efforts to combat poverty and, in that context, sought to increase employment opportunities and improve the quality of life for Bolivians in order to build a modern, decentralized and participatory State through policies favouring citizen involvement, educational reform and privatization of the major public enterprises.

94. In 1996, Bolivia was responsible for providing the secretariat of the Rio Group and, in that capacity, had hosted the sixth meeting between the Ministers for Foreign Affairs of the Rio Group and the European Union in April, at which the desire for joint action between Latin America and the Caribbean and Western Europe had been endorsed. It had also hosted the meetings of Heads of State or Government of the countries of the Rio Group on the tenth anniversary of the Group. He drew the Committee's attention to document A/51/375, which contained the declaration of the Tenth Summit of Heads of State and Government, and emphasized that all those events revealed the importance of the process of political integration and coordination in the countries of Latin America and the Caribbean to the pursuit of their common goals.

95. Mr. AMORIM (Brazil), speaking on behalf of the members of the Common Market of the Southern Cone (MERCOSUR) and Bolivia and Chile, said that world economic recovery coincided with fundamental transformations related to the globalization of production and trade liberalization which, while representing a unique opportunity to achieve major progress in the developing countries, also presented such risks as the volatility of financial flows and their possible destabilizing effects and the emergence of new forms of protectionism, which were cause for great concern, as were the ever-growing disparity between rich and poor, and the risk that, without the determined support of the international community, many countries would remain permanently at a disadvantage in the world economy.

96. As a result of the major conferences held during the 1990s, the international community had adopted a development model that encompassed objectives in the areas of economic growth, social progress, environmental protection and respect for human rights, which the member countries of MERCOSUR and Bolivia and Chile had decided to make into reality. At the national level, that decision had been expressed in the processes of trade liberalization, privatization, macroeconomic stabilization, modernization of the public sector, combating corruption, reduction or elimination of public deficits and more efficient use of public resources. At the international level, MERCOSUR was a basic element in the strategy for dynamic integration of the economies of its members into the global context and for peace-building in the region.

97. He drew attention, firstly to the consolidation of the MERCOSUR common external tariff and the continuing progress towards a single market, and secondly, to the opening up of the economy. The latter was reflected in the agreement, signed in June 1996, establishing an association between MERCOSUR and Chile for the creation of a free-trade area; in the forthcoming incorporation of Bolivia as an associate member of MERCOSUR; in the negotiations with States of the Andean Group which would be held during the following six months and were expected to lead to the signing of important agreements; in the concrete progress towards the creation of the Free Trade Area of the Americas (ALCA); and in dialogue with bodies in other regions, which had led, inter alia, to the Interregional Framework Agreement with the European Union and to closer ties with other groups of developing countries, particularly the Southern African Development Community (SADC), in keeping with the spirit of South-South cooperation which embodied MERCOSUR.

98. During the first half of the current decade, there had been a series of conferences leading to major commitments and new development models, whereas the second half was witnessing a movement of institutional reform and follow-up to those conferences. Such reforms were needed, and all the tasks called for in General Assembly resolution 50/227 should be carried out, especially the strengthening of the Economic and Social Council and the satisfactory completion of an agenda for development, as well as a review of mechanisms for implementing the commitments entered into in the 1990s and for integrated follow-up to development conferences.

99. The MERCOSUR countries believed that there was a need to reform United Nations bodies and adapt the Organization's structure and methods in order to optimize the effectiveness of its human, material and financial resources;

however, the ultimate goal of the reforms should be to strengthen the role of the United Nations. It was regrettable that many proposed reforms were motivated mainly or wholly by the financial situation and budget cuts. Although there was a need to reduce expenditure, make more efficient use of resources and establish priorities, to deprive the United Nations of the essential means to fulfil its functions was not the best way to ensure greater efficiency.

100. Mr. SOBHAN (Bangladesh) endorsed the statement made by Costa Rica on behalf of the Group of 77 and China. In order to rationalize the Committee's general debate, the time-limit for statements should be reduced to 10 minutes, which would make the Committee focus on priority concerns. Resolutions should also be more concise; the preambular part should be shorter and the operative part should be made more concrete, avoiding repetition. Also, consultations prior to the adoption of resolutions should be more universal. That would enable all delegations to see their opinions reflected in the resolutions, which would lead to improved efficiency.

101. There were statistics indicating a recovery of the world economy and predicting that that trend would continue in the foreseeable future. The economies of most developed countries had shown sustained growth with subdued inflation and low interest rates. However, there were marked regional differences and not all countries benefited equally from the situation. Indeed, the gap between the small and vulnerable countries and the rest of the world continued to widen.

102. The growth rate in most of the least developed and African countries was far from attaining acceptable levels. Some other least developed countries had stagnant economic growth, and in others development had been set back considerably. In those least developed countries whose economies had attained relatively satisfactory levels, the growth rate was still insufficient to generate employment and reduce poverty. Also, growth could be brought to an abrupt halt by falling world commodity prices. Even where growth rates had picked up, macroeconomic imbalances continued, deterring private sector investment. Declining flows of development assistance, limited market access, and unsustainable debt burden, inability to obtain technology needed for development or non-discriminatory and concessional loans cast a shadow over the most optimistic economic conditions.

103. It was paradoxical that in spite of the prosperity enjoyed by the developed world, the aid budgets of most traditional donors had been shrinking. In addition, commitments entered into at recent international conferences had not been sufficiently put into effect. On the one hand, the majority of developing countries had worked hard to create the conditions necessary for receiving economic aid for their development and, on the other hand, the major donors, motivated by political considerations, continued to reduce that aid, setting aside their commitment to participate effectively in development. That situation jeopardized all the reforms that had been achieved by the majority of the developing countries at great social cost.

104. Countries with fewer economic resources, particularly some African countries, were observing that their considerable efforts to achieve development could be seriously impeded by the debt problem. Although some creditors had

taken steps to alleviate the situation, the measures adopted remain grossly inadequate. Only a bold initiative by the international community could restore the ailing economies of many developing countries to a sustainable level.

105. The least developed countries accounted for only 0.3 per cent of world trade. The lifting of protectionist restrictions to which that slight volume of products was subjected could substantially increase those countries' income and help to reduce their dependence on outside assistance.

106. Cooperation among the developing countries could have a considerable impact in the area of international economic and technical cooperation. Sharing the wealth of development experiences among those countries could produce highly positive results for the countries of the South. He therefore welcomed the initiative to convene a South-South conference on cooperation in trade, investment and finance, to be held in San José, Costa Rica, in January 1997. Traditional donors must support exploration of arrangements for cooperation among the countries of the South. His delegation urged the international community to renew its commitment in that respect and to establish triangular partnerships to search for untapped opportunities in mutual cooperation.

107. Finally, he said that despite the consensus achieved at the global conferences on how to address development issues, the mobilization of political will for achieving practical results was still lacking. The role of the United Nations in that respect was increasingly important. Effective mechanisms must be established to ensure that the commitments, recommendations and measures adopted at international forums were implemented both at the national and global levels.

108. The CHAIRMAN said that consideration should be given to the proposal of Bangladesh to limit further the length of statements.

The meeting rose at 5.45 p.m.